



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5  
77 W JACKSON BLVD  
CHICAGO IL 60604

January 11, 2010

**MEMORANDUM**

**SUBJECT** **ACTION MEMORANDUM** - Request for an Emergency Removal Action at the Menden Automotive Systems Site, Shelbyville, Shelby County, Indiana (Site ID #B5UX)

**FROM** Verneta Simon, On-Scene Coordinator *VS*  
Emergency Response Branch 2/Response Section 3

Shelly Lam, On-Scene Coordinator *SL*  
Emergency Response Branch 1/Response Section 1

**THRU** Linda Nachowicz Chief *LF*  
Emergency Response Branch 2

**TO** Richard C Karl, Director  
Superfund Division

EPA Region 5 Records Ctr



347969

**I PURPOSE**

The purpose of this memorandum is to request and document your approval to expend up to \$241,123 to conduct an emergency removal action at the Menden Automotive System (MAS) Site, in Shelbyville, Indiana (the MAS Shelbyville Site or the Site). ERB 2 Branch Chief Linda Nachowicz verbally authorized funding of \$25,000 on November 25, 2009 and ERB 1 Branch Chief Jason El-Zein verbally authorized an additional \$35,000 on December 2, 2009. The response actions proposed herein are necessary in order to mitigate threats to public health, welfare, and the environment posed by the presence of uncontrolled hazardous substances at the Site, an abandoned manufacturing facility. The presence of hazardous substances existing at the Site has been documented, including ignitable and corrosive wastestreams.

The emergency removal action proposed herein will mitigate the threats by properly removing and disposing off-site the abandoned hazardous substances, pollutants and contaminants. Additional Site activities will include Site security; draining the cooling water system and emptying pits to complete the removal action. This response action will be conducted in accordance with Section 104(a)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), 42 USC § 9604(a)(1), to abate or eliminate the immediate threat posed to public health and/or the environment by the presence of the hazardous substances. The uncontrolled

abandoned by MAS on or about July 15, 2009, when the company filed for Chapter 7 (liquidation) bankruptcy protection. The Site building has been vacant since then with unrestricted access.

According to the Region V Superfund Environmental Justice Analysis, in Indiana the low income population percentage is 29% or greater and the minority population percentage is 14% or greater. To meet the Environmental Justice (EJ) criteria, the area within one mile of the Site must have a population that is twice the state low income percentage and/or twice the state minority percentage, i.e. 58% low income and/or 28% minority. At this Site, the low income percentage is 38% and the minority percentage is 10% (see Attachment III). Therefore, this Site does not meet the Region's EJ criteria based on demographics as identified in Region V's "Interim Guidelines for Identifying and Addressing a Potential EJ Case" June 1998.

#### **B Site Background - Meridian Automotive Systems**

According to Site reports, the property was utilized by MAS for approximately 20 years. MAS manufactured fiberglass auto body panels and other miscellaneous parts. MAS ceased manufacturing operations at the Site on or about July 15, 2009, when the company declared bankruptcy. Evidence of manufacturing operations remains including process equipment, hydraulic presses, product, and waste. The Site is currently in receivership. In addition, this Site had an outdated Spill Prevention and Countermeasures Plan (SPCC).

#### **C Site Background – U S Environmental Protection Agency**

On November 19, 2009, the Shelbyville Fire Department (SFD) contacted the Indiana Department of Environment's (IDEM's) Emergency Response Section, which on the same day referred the Site to U S EPA. The SFD, IDEM, and U S EPA conducted an inspection at the Site on November 25, 2009 to document Site conditions. U S EPA mobilized its Superfund Technical Assessment and Response Team (START) and Emergency Response and Rapid Response Services (ERRS) contractors to the Site.

U S EPA tasked START to perform a Site walk-through and Site security. Activities performed during the walk-through included:

- Documentation of Site conditions,
- Air monitoring

During the Site walk-through, the OSCs and START contractor observed approximately 200 55-gallon drums containing flammables, paints, adhesives, corrosives, and unknown liquids, numerous 250-gallon totes with used oil and adhesives, several gas cylinders, process equipment including hydraulic presses, and three pits containing liquid/solid mixture. During the first walk-through U S EPA observed a large pit approximately 350 feet by 30 feet which reportedly contains oil, water, and sludge. (During a subsequent walk-through, another pit of similar size was discovered, which appeared to be empty.) A third pit appeared to be approximately 30 feet by 30 feet and

conditions of the hazardous substances present at the Site require that this action be classified as an emergency removal action. The project will require approximately 20 working days to complete.

There are no nationally significant or precedent setting issues associated with the Site. The Site is not on the National Priorities List (NPL).

## **II SITE CONDITIONS AND BACKGROUND**

**CERCLIS ID # N/A**

### **A Physical Location and Description**

The MAS Shelbyville Site is located at 501 Northridge Drive, Shelbyville, Shelby County, Indiana (see Figure A-1). The geographical coordinates for the Site are Latitude 39 5454600 ° North and Longitude 85 7917300 ° West. The Site is approximately 48.9 acres in size and contains a 354,018 square foot manufacturing building, guard shack, mold storage building, an outdoor waste storage area, and a pump house. The exterior of the manufacturing building is constructed of a slab concrete foundation, concrete and metal-siding walls, and a leaking roof. The Site is located in a mixed industrial/agricultural area of Shelbyville, Indiana. According to the Shelby County, Indiana GIS Web Map, the following properties adjoin the Site.

Owner	Address	Direction From Site
Pilkington North American Inc	300 Northridge Drive	North
PK USA	600 Northridge Drive	North
North American Sankyo Corporation, dba NASCORP	275 Northridge Drive	East
Seneca Medical Inc	500 W Industrial Park Drive	East
Ryobi Die Casting Inc	800 Mausoleum Road	South
CSX Transportation		South
Joy Lovitt, Ramona Bennett, Mr /Ms Montgome	17 W Pennsylvania	West

During a Site visit on November 25, 2009, U.S. EPA observed approximately 200 55-gallon drums containing flammables, paints, adhesives, corrosives, and unknown liquids, numerous 250-gallon totes with used oil and adhesives, several gas cylinders, process equipment, including 26 hydraulic presses, and four pits containing liquid/solid mixtures. Two pits appear to be 350 feet by 30 feet and reportedly contain oil, water, and sludge. The third pit appears to be approximately 30 feet by 30 feet and reportedly contains paint sludge. The fourth pit was used for equipment washing. Approximately 150 drums are located outside the manufacturing building in a covered waste storage area, some of the drums are stacked and are in danger of falling. In addition, a 20-yard roll-off, containing "flash," is located outside in an unsecured area. The facility was

reportedly contains paint sludge. Approximately 150 drums were observed outside the manufacturing building in a covered waste storage area, some of the drums were noted to be stacked and in danger of falling. In addition, a roll-off containing "flash" was observed outside in an unsecured area. The OSCs noted unrestricted Site access with doors unsecured.

During the Site walk-through, U.S. EPA obtained environmental records, including waste profiles previously prepared by MAS. Previously disposed waste included F005, D001, D009, and D035 listed waste. The SFD provided Local Emergency Planning Commission (LEPC) Tier II reports for the facility. In addition, a former employee accompanied U.S. EPA on a separate Site walkover and provided information about previous manufacturing operations and waste disposal.

### **III THREATS TO PUBLIC HEALTH, WELFARE, OR THE ENVIRONMENT, AND STATUTORY AND REGULATORY AUTHORITIES**

The conditions present at the MAS Shelbyville Site present an imminent and substantial threat to the public health, or welfare, and the environment based upon the factors set forth in Section 300.415(b)(2) of the National Oil and Hazardous Substances Pollution Contingency Plan (NCP), as amended, 40 CFR Part 300. These factors include, but are not limited to, the following:

**1) Actual or potential exposure to nearby human populations, animals, or the food chain from hazardous substances or pollutants or contaminants**

During the November 25, 2009, U.S. EPA Site walk-through, the OSCs noted RCRA-characteristic wastes contained in drums, totes, cylinders, and waste pits. Based on generator knowledge, these wastes met criteria for flammability, corrosivity, and toxicity per RCRA 40 CFR 261.24. Approximately 150 drums were documented in an outside storage area, and several were stacked and in danger of falling. Approximately 50 drums and totes were documented inside the vacant building. U.S. EPA's OSCs have observed four waste pits, however, only three appear to contain liquid/solid mixture. Process equipment, including 26 hydraulic presses, were left in place. On Tuesday, December 2, 2009, Amy Skillman, City of Shelbyville MS4 Operator and Bradley Fix, Shelbyville Wastewater Treatment Superintendent, visited this Site and provided U.S. EPA with advice regarding draining the cooling water system into the City sewer and operating the oil/water separator for the 350 x 30 pits.

Industrial and agricultural areas are located within 300 feet of the Site. During the November 25, 2009, U.S. EPA Site walk-through, the OSC noted unrestricted Site access with doors unsecured. With unrestricted access onto the Site, trespassing could occur. An accidental or intentional release of hazardous material and direct contact with hazardous materials are possible. The close proximity of industrial and agricultural areas adjacent to the Site greatly increases the likelihood of human health and environmental impacts should such an occurrence take place. Potential exposure could occur through each of

these migration pathways and cause imminent endangerment to human health and the environment

The Site was temporarily secured by U S EPA on November 25, 2009, but access to the premises and its contaminants can be obtained easily Exposure pathways include direct contact and inhalation associated with uncontrolled hazardous waste in and around the Site building

**2) Hazardous substances or pollutants or contaminants in drums, barrels, tanks, or other bulk storage containers, that may pose a threat of release,**

Since the Site walk-through, EPA and START observed and documented the presence of RCRA-characteristic wastes which based on generator knowledge, met the criteria for flammability, corrosivity, and toxicity, per RCRA 40 CFR 261.24 These included approximately 200 55-gallon drums containing flammables, paints, adhesives, corrosives, and unknown liquids, numerous 250-gallon totes with used oil and adhesives several gas cylinders and three pits containing liquid/solid mixture Two pits are 350 feet by 30 feet One appears to contain oil water and sludge the second appears to be empty The third pit appears to be approximately 30 feet by 30 feet and reportedly contains paint sludge and has not been cleaned out in a year according to the former employee A fourth pit is a washout pit identified by Amy Skillman Several drums are stacked in an outside waste storage area and in danger of falling which could allow additional quantities of hazardous substances to migrate into the environment Because of these factors, hazardous substances, pollutants and contaminants in varying forms and quantities have been documented to exist on the Site

Vandalism as well as trespassing could result in an accidental or intentional release of hazardous material, direct contact with hazardous materials, and/or a reaction generating toxic gases The close proximity of the Site to adjacent industrial and agricultural areas greatly increases the potential threats to human health and environment, should such an occurrence take place

**3) Weather conditions that may cause hazardous substances or pollutants or contaminants to migrate or be released,**

Central Indiana receives a substantial amount of precipitation during spring, and winter temperatures are normally below freezing with regular snowfall Weather conditions could continue to contribute to the deterioration of the building and drums

**4) Threat of fire or explosion**

The Site contains abandoned solvents and flammables Previous waste disposal profiles prepared by MAS indicate the presence of characteristic

**hazardous waste for ignitability (D001) Therefore, the potential for a fire/explosion exists and, if such an event occurs, contaminants could become airborne and may affect the nearby population**

**5) The availability of other appropriate Federal or State response mechanisms to respond to the release,**

**In an e-mail dated November 19 2009, IDEM requested assistance from U S EPA in conducting a potential time-critical removal action involving uncontrolled hazardous waste at the Site**

#### **IV. ENDANGERMENT DETERMINATION**

**Given the Site conditions, the nature of the known and suspected hazardous substances on Site, and the potential exposure pathways described in Sections II and III, actual or threatened releases of hazardous substances from this Site, if not addressed by implementing the response actions selected in this Action Memorandum, may present an imminent and substantial endangerment to public health, or welfare, or the environment**

#### **V. PROPOSED ACTIONS AND ESTIMATED COSTS**

**Removal of waste with off-site RCRA disposal is the only feasible solution for mitigating threats posed by the situation presented at the MAS Shelbyville Site Site stabilization without disposal would provide only a temporary solution to the threats posed by the Site**

**The OSC proposes to undertake the following response actions to mitigate threats posed by the presence of hazardous substances at the MAS Site**

- 1 Develop and implement a site-specific Health and Safety Plan, including an Air Monitoring Plan and a Site Emergency Contingency Plan**
- 2 Develop and implement a Site Security Plan**
- 3 Inventory and perform hazard characterization on substances contained in containers, drums, pits, waste piles, and tanks,**
- 4 Consolidate and package all hazardous substances, pollutants and contaminants for transportation and off-site disposal,**
- 5 Dismantle and decontaminate process equipment and building components associated with the product process area, as necessary,**

- 6 Transport and dispose of all characterized or identified hazardous substances, pollutants, wastes, or contaminants to a RCRA/CERCLA-approved disposal facility in accordance with U S EPA's Off-Site Rule (40 CFR § 300.440)
- 7 Take any other response actions to address any release or threatened release of a hazardous substance, pollutant or contaminant that the EPA OSC determines may pose an imminent and substantial endangerment to the public health or the environment

The removal action will be conducted in a manner not inconsistent with the NCP. The OSC has initiated planning for provision of post-removal Site control consistent with the provisions of Section 300.415(l) of the NCP.

The threats posed by uncontrolled substances considered hazardous meet the criteria listed in Section 300.415(b)(2) of the NCP, and the response actions proposed herein are consistent with any long-term remedial actions which may be required. Elimination of hazardous substances, pollutants and contaminants that pose a substantial threat of release is expected to minimize substantial requirements for post-removal Site controls.

The estimated costs to complete the above activities are summarized below. These activities will require an estimated 20 on-site working days to complete.

Detailed cleanup contractor costs are presented in Attachment 1.

### **REMOVAL PROJECT CEILING ESTIMATE**

#### **EXTRAMURAL COSTS**

<b><u>Regional Removal Allowance Costs</u></b>	<b>\$174,132</b>
<b>Total Cleanup Contractor Costs</b>	
(Includes a 20% contingency)	

#### **Other Extramural Costs Not Funded from the Regional Allowance.**

Total START including multiplier costs	<b>+\$ 35,540</b>
Subtotal, Extramural Costs	<b>\$209,672</b>
Extramural Costs Contingency	<b>+\$ 31,451</b>
(15% of Subtotal Extramural Costs)	

<b>TOTAL, REMOVAL ACTION PROJECT CEILING</b>	<b>\$241,123</b>
--	------------------

The response actions described in this memorandum directly address the actual or threatened release of hazardous substances, pollutants, or contaminants at the Site which may pose an imminent and substantial endangerment to public health or welfare or to the environment. These response actions do not impose a burden on affected

property disproportionate to the extent to which that property contributes to the conditions being addressed

### **Applicable or Relevant and Appropriate Requirements**

All applicable and relevant and appropriate requirements (ARARs) of Federal and State law will be complied with to the extent practicable. The OSCs will send a letter to Harry Atkinson of IDEM requesting any applicable State ARARs. Any State ARARs identified in a timely manner will be complied with to the extent practicable.

All hazardous substances, pollutants or contaminants removed off-site pursuant to this removal action for treatment, storage and disposal shall be treated, stored, or disposed at a facility in compliance, as determined by U.S. EPA, with the U.S. EPA Off-Site Rule 40 CFR § 300.440.

### **VI. EXPECTED CHANGE IN THE SITUATION SHOULD ACTION BE DELAYED OR NOT TAKEN**

Delayed or no action will result in increased potential of the toxic and hazardous substances to release, thereby threatening the environment and the health and welfare of nearby residents and other persons who are in proximity to the Site.

### **VII. OUTSTANDING POLICY ISSUES**

None

### **VIII. ENFORCEMENT**

For administrative purposes, information concerning the enforcement strategy for this Site is contained in the Enforcement Confidential Addendum.

The total EPA costs for this removal action based on full-cost accounting practices that will be eligible for cost recovery are estimated to be \$436,923<sup>1</sup>.

$$(\$241,123 + 29,150) + (61.66\% \times 270,273) = \$436,923$$


### **IX. RECOMMENDATION**

This decision document represents the selected removal action for the Meridian Automotive Site located in Shelbyville, Shelby County, Indiana. This document has been developed in accordance with CERCLA as amended, and is not inconsistent with

---

<sup>1</sup> Direct Costs include direct extramural costs and direct intramural costs. Indirect costs are calculated based on an estimated indirect cost rate expressed as a percentage of site specific direct costs, consistent with the full cost accounting methodology effective October 2, 2000. These estimates do not include pre-judgment interest, do not take into account other enforcement costs including Department of Justice costs, and may be adjusted during the course of a removal action. The estimates are for illustrative purposes only and their use is not intended to create any rights for responsible parties. Neither the lack of a total cost estimate nor deviation of actual total costs from this estimate will affect the United States' right to cost recovery.

the NCP This decision is based on the Administrative Record for the Site (see Attachment II) Conditions at the Site meet the NCP § 300 415(b)(2) criteria for a time-critical removal action and I recommend your approval of the proposed removal action The total removal project ceiling, if approved, will be \$241,123 Of this, an estimated \$174,132 may be used for the cleanup contractor costs You may indicate your decision by signing below

APPROVE  *for Mr. Myers* DATE 1/11/2010  
Director, Superfund Division

DISAPPROVE \_\_\_\_\_ DATE \_\_\_\_\_  
Director Superfund Division

#### Enforcement Addendum

#### Figures

- A-1 Site Location Map
- A-2 Site Layout Map
- A-3 Photo Log

#### Attachments

- I Detailed Cleanup Contractor Cost Estimate
- II Administrative Record Index
- III Region V EJ Analysis
- IV Independent Government Cost Estimate

cc David Chung, U S EPA, 5203-G  
Michael Chezik, U S DOI w/o Enf Addendum  
Harry Atkinson IDEM, w/o Enf Addendum  
Bill Myers, IDEM, w/o Enf Addendum  
Tony Logan, Shelbyville Fire Department w/o Enf Addendum

**ENFORCEMENT ADDENDUM**

**MERIDIAN AUTOMOTIVE SYSTEMS SHELBYVILLE SITE  
SHELBYVILLE, SHELBY COUNTY, INDIANA**

**DECEMBER 2009**

**(REDACTED 2 PAGES)**

**ENFORCEMENT CONFIDENTIAL  
NOT SUBJECT TO DISCOVERY**

FIGURE A-1

SITE LOCATION MAP



Legend

◆ SITE LOCATION



FIGURE A-1  
SITE LOCATION MAP

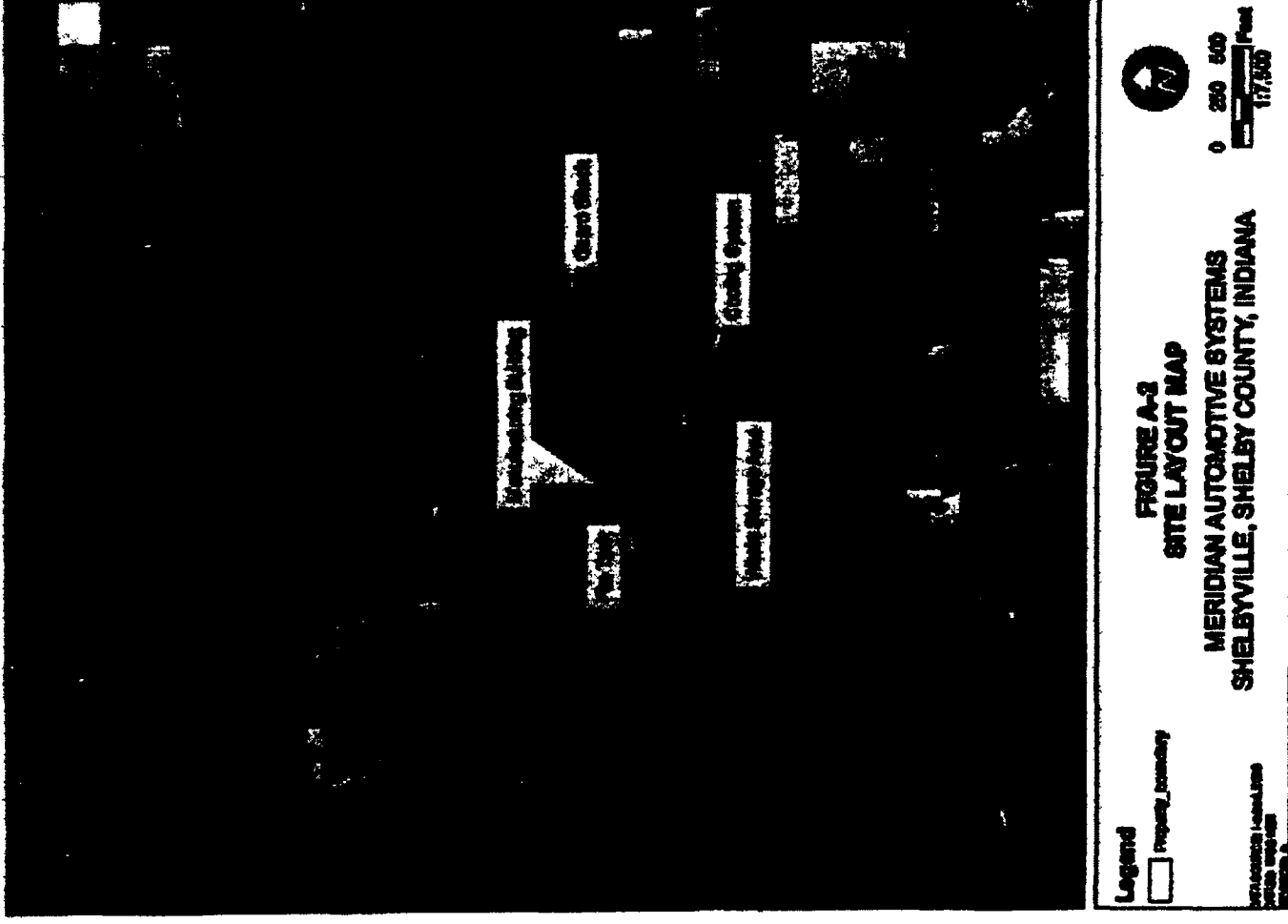
MERIDIAN AUTOMOTIVE SYSTEMS  
SHELBYVILLE, SHELBY COUNTY, INDIANA

0 1,000 2,000  
Feet  
1:24,000

US ARMY MAPS  
SERIES 1000 100  
SCALE 1:24,000  
DATE 1980

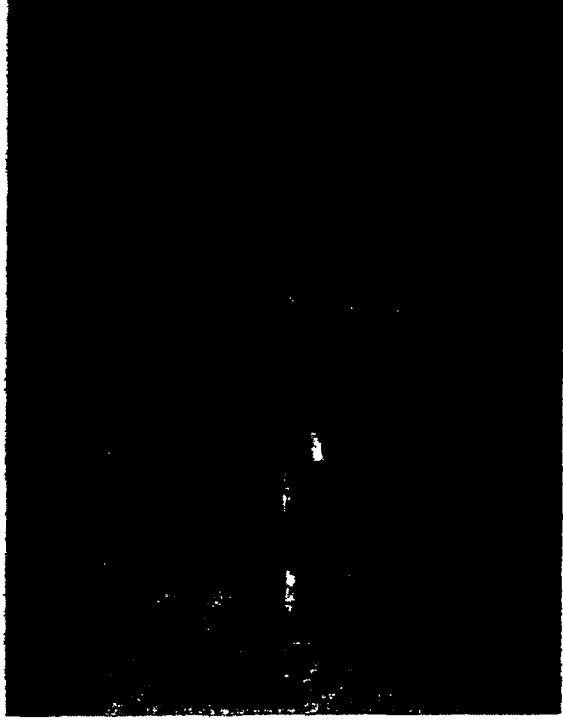
**FIGURE A-2**

**SITE LAYOUT MAP**



**FIGURE A-3**

**PHOTO LOG**



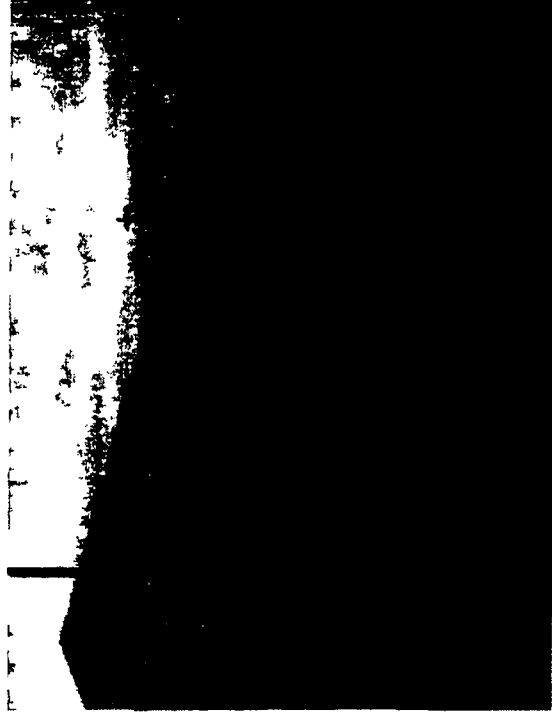
**Above: Lube oil drum storage**



**Above Outside waste storage area**



**Above Used oil totes**



**Above "Flash" roll-off**

**ATTACHMENT I**

**DETAILED CLEANUP CONTRACTOR COST ESTIMATE  
INDEPENDENT GOVERNMENT CLEANUP CONTRACTOR ESTIMATE**

**MERIDIAN AUTOMOTIVE SYSTEMS SITE  
SHELBYVILLE, SHELBY COUNTY, INDIANA  
DECEMBER 2009**

The estimated cleanup contractor (ERRS) costs necessary to complete the removal action at the MAS Site are as follows

Personnel & Equipment	\$72,350
Materials/Misc	\$32,760
Transportation and Disposal	+ <u>\$40,000</u>
Total	\$145 110
Plus 20% Contingency	+ <u>\$ 29,022</u>
<b>Total ERRS Contractor Costs</b>	<b>\$174,132</b>

## ATTACHMENT II

### U S ENVIRONMENTAL PROTECTION AGENCY REMOVAL ACTION

#### ADMINISTRATIVE RECORD FOR MERIDIAN AUTOMOTIVE SYSTEMS SITE SHELBYVILLE, SHELBY COUNTY, INDIANA

ORIGINAL  
DECEMBER 2009

<u>NO</u>	<u>DATE</u>	<u>AUTHOR</u>	<u>RECIPIENT</u>	<u>TITLE/DESCRIPTION</u>	<u>PAGES</u>
1	11/23/09	City of Shelbyville Fire Dept	U S EPA	Site Background Infor- mation for the Meridian Automotive Systems Site	36
2	11/25/09	Miller, G , Meridian Automotive Systems	U S EPA	Consent for Access to Property for the Meridian Automotive Systems Site	1
3	11/25/09	Hamilton, R , Shelbynews com	Public	News Article City Eyes Abandoned Factory - City Concerned About Chemicals, Conditions at Meridian Automotive Plant"	2
4	00/00/00	Simon, V & S Lam, U S EPA	Karl, R , U S EPA	Action Memorandum Request for an Emergency Removal Action at the Meridian Automotive Systems	

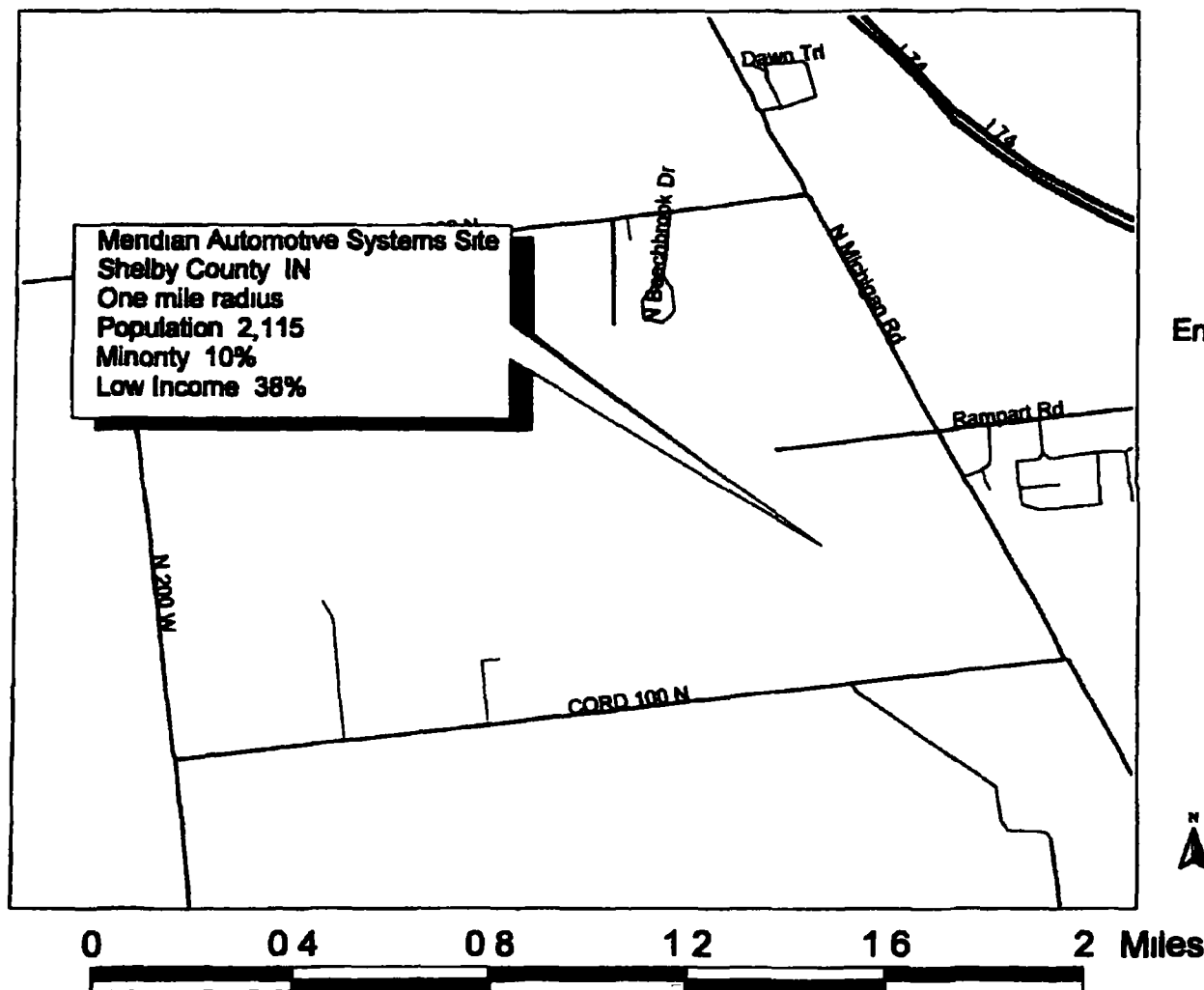
Systems Site (PENDING)

**ATTACHMENT III**

**REGION 5 EJ ANALYSIS**

# Region 5 Superfund EJ Analysis

## Meridian Automotive Systems Site



State of Indiana averages  
Minority 14%  
Low Income 29%

U S EPA Region 5  
Environmental Justice Case Criteria  
for State of Indiana

Minority 28% or greater  
Low Income 58% or greater

Date of Map: 12/7/08

Source of Map: Census 2000 Dataquest/  
ArcView 3.2

**ATTACHMENT IV**

**INDEPENDENT GOVERNMENT COST ESTIMATE**

**MERIDIAN AUTOMOTIVE SYSTEMS INC SITE  
SHELBYVILLE, SHELBY COUNTY, INDIANA**

**DECEMBER 2009**

**NOT RELEVANT TO THE SELECTION OF THE REMOVAL ACTION**

**(REDACTED 2 PAGES)**